

The Honorable Charles B. Rangel, Chairman

Trade Adjustment Assistance for Workers Program

The American Recovery and Reinvestment Act of 2009 dramatically expanded the Trade Adjustment Assistance (TAA) for Workers program and represented a truly bipartisan, bicameral effort to improve the TAA program and its outcomes for workers. The TAA reforms included in the recovery package are helping workers impacted by trade get the long-term training, support and skills they need to get back on their feet and succeed in the global economy. Among other things, the new law extends TAA to trade-affected service sector workers and covers workers affected by offshoring or outsourcing to countries like China or India. It nearly triples training funding to \$575 million. Significantly, the law also makes educational and occupational training, healthcare and reemployment TAA benefits more accessible and flexible.

In FY 2009, the Department of Labor certified over 200,000 workers as eligible to apply for TAA, a sharp increase from the 125,000 certified in 2008. Moreover, the Department of Labor issued almost as many petition determinations in the last two quarters of calendar year 2009, as were issued in all of fiscal year 2008. The number of workers in training also increased – by 67 percent, from 38,189 in 2008 to 58,190 in 2009. The improved TAA benefits afforded to these works are critical, especially in the current economic climate.

Reflecting the impact of the reforms included in the ARRA, service workers accounted for at least 17 percent of the total workers certified to participate in TAA in 2009. TAA-eligible workers based on offshoring or outsourcing accounted for 42 percent of the total workers certified to participate in TAA in 2009, an increase of 69 percent over 2008. Additionally, the number of workers taking advantage of the improved TAA Health Coverage Tax Credit –which was increased from 65% to 80% – has almost doubled to 16,500.